## Introduction

With passage of the Personnel System Reform Act of 2002, Washington State has been presented the unique opportunity to replace the state's 43-year-old civil service system with a new, modern human resource system.

The challenges facing state government today are far more complex and fraught with risk than they were four decades ago. Citizens expect, and deserve, a state workforce that is not only capable of meeting these challenges, but that is motivated to continually improve the quality, timeliness, and efficiency of services delivered by state agencies and institutions. Increasingly, taxpayers are demanding greater accountability from government. They demand good value for their dollar, and to be shown that their tax dollars are spent on their priorities.

Achieving results in government, probably more than any other business, is highly dependent upon the quality, judgment, and motivation of its workforce. Maintaining that workforce today requires a human resource system that supports modern management practices and helps the state attract, reward, and retain a highly skilled and motivated workforce.

The state of Washington is committed to building a responsive human resource system that flexes with state government's changing business needs, and treats employees with fairness, dignity, and respect.

## **Design Criteria**

The following design criteria have been adopted to guide the design and development of a new human resource system for the state, which is often referred to as Human Resources 2005 (HR 2005) since that is when it will be implemented:

- Focused on outcomes, rather than process
- Minimal number of rules
- Easy to understand and simple to use
- Fast and responsive responds quickly to a variety of needs and situations
- Open and flexible; provides multiple options
- Adaptable to change; can be easily modified and improved
- Automated to the degree possible
- Ensures fair treatment for employees and managers

## Research

In order to create the best system possible, the Department of Personnel (DOP) began the design process with extensive research of customer needs and current best practices. DOP surveyed state employees, managers, and human resource professionals; held focus groups; conducted more than 50 information and feedback sessions throughout the state; and posted a feedback forum on the Internet. In all, close to 8,000 individuals provided input on customer needs and preferences. More than 35,000 written comments were received.

In addition, DOP conducted extensive research of trends and best practices among other public and private sector employers. Information was collected from all 50 states, federal and local governments, other countries, selected universities, private sector employers, and human resource organizations. Dozens of reports, articles, books, and web sites were carefully studied.

An overriding theme from all of the research findings was the need to move towards a performance-based culture. This is the clear trend among progressive employers nationwide; it is consistent with the taxpayers' demand for greater accountability in government; and it aligns with the needs and desires expressed by state employees, managers, and human resource professionals.

Customer research respondents repeatedly spoke of the need to reward excellent performance and provide for fair treatment of employees. They expressed the need for a system that would hold managers accountable for setting clear expectations, providing timely and meaningful evaluations, recognizing good work, giving feedback and coaching, and addressing problem performance and behavior. A strong majority of both employees and managers supported factoring performance into key personnel decisions such as hiring and promotions, salary setting, and reduction-in-force. Respondents also recognized that such an increased emphasis on performance and accountability would mean a significant culture shift. A successful transition would require adequate training and strong support systems.

## **Design Process**

In order for the new system to meet the needs of all affected parties, it is critical for representatives of various customer groups to be actively involved in its development. The Department of Personnel is committed to working in partnership with state employees, managers, human resource professionals, and union representatives in building the new system.

Once the research was completed, five interagency teams were brought together to develop the initial design concepts for key elements of the new system. The five Concept Design teams, made up of managers, employees, and human resource

professionals from a variety of state agencies and higher education institutions, as well as union representatives, focused on the following key areas:

- Classification and Compensation
- Recruitment and Selection
- Performance Management
- Reduction-in-Force
- Work/Life Balance

The teams submitted their findings and recommendations to the Director of the Department of Personnel. DOP management then carefully reviewed the recommendations to determine the most viable options. Considerations included resource availability, implementation time, culture readiness, legislative intent, supporting infrastructure (such as human resource information system capability), consistency with the overall design criteria listed on page 2, and integration with the other components of the civil service reform legislation.

This document describes those options and recommendations considered most viable as of May 2003 for review and feedback by a broader audience. Presentations and discussions with agency managers, human resource professionals, and state employees will take place during the spring and early summer of 2003. Based on this dialogue, the recommendations and development work will be further refined.